



December 4, 2018

**VIA E-MAIL AND CERTIFIED MAIL**

*regulatory.eca@ecacolleges.com*

Mr. Stuart Reed  
Chief Executive Officer  
Education Corporation of America  
3660 Grandview Parkway, Suite 300  
Birmingham, AL 35243

**Subject: Withdrawal of Accreditation by Suspension  
RE: Virginia College, LLC, Birmingham, Alabama - 00016224 (C)**

Dear Mr. Reed:

At its December 2018 meeting, the Council considered the response of Virginia College to the continued show-cause directive for the adverse action by the Accrediting Council for Continuing Education and Training (ACCET), as outlined in the Council's September 5, 2018, letter. The Council notes that the ACCET Review Board affirmed the decision of the agency to deny the institution's application for initial accreditation. In its response to the continued show-cause directive, the institution provided sufficient narrative and documentation to address five findings (Findings 3, 5, 11, 14, and 21) in the areas of institutional management, communications, curriculum review and revision, instruction oversight, and employer satisfaction. However, the Council found several other findings unresolved. Specifically, concerns persist with the systematic implementation and demonstration of compliance in 12 areas across various campuses including student progress, outcomes, Project Hawthorne's impact, student satisfaction, certification and licensure, and staff turnover.

The Council also considered the information provided by the corporate entity, Virginia College, LLC, which encompasses Virginia College, the institution; and numerous Brightwood Career Institute and Brightwood College institutions, in response to, and preparation for, the scheduled in-person hearing for the show-cause directive due to financial adverse (revised letter dated November 12, 2018). Included in Virginia College, LLC's response is communication about the entity's likely inability to continue operations on Heightened Cash Monitoring 2 (HCM2). Also reviewed was the submitted Quarterly Financial Report for the entity which noted a [REDACTED] or 16.4% loss.

Further, the Council also considered the entity's inability to meet its financial obligation with the approved payment plan of visit-related fees, the first payment of which was due on November 30, 2018, in the amount of [REDACTED]. As of this date, the November 30, 2018, payment has not been received and the final payment, in the amount of [REDACTED], is due on December 28,

2018. With a history of on-time payment and responsiveness, this lack of follow up and payment further evidences the underlying financial concerns facing Virginia College, LLC.

### **Council Action**

Given the grave concerns with regards to the ability of Virginia College, LLC, to continue the operations of all the institutions under its ownership as a result of the outstanding, unresolved findings related to the continued show-cause directive and rapidly deteriorating financial conditions, the Council does not believe that the entity will be able to bring its institutions into compliance and demonstrate financial stability within the given timeframes. Therefore, the Council acted to **withdraw, by suspension, the current grants of accreditation of all the institutions owned by Virginia College, LLC.**

The Council must be notified within ten (10) business days from the date of this notice, **December 19, 2018**, if Virginia College, LLC desires to appeal this decision to the Review Board. The appeal notification must include payment of \$10,000 in the form of a cashier's check. If the appeal notice and appropriate fee are not provided within ten business days of receipt of this notice, the Council's action will be deemed final.

If the entity elects to appeal this action to the Review Board and remits the appropriate fee by the established deadline, then the institutions will remain accredited through the length of the appeal and more detailed appeal procedures and information will be forwarded to Virginia College, LLC.

If Virginia College, LLC, elects not to appeal this action, any comments it wishes to make about this decision must also be submitted to the Council office no later than **December 19, 2018**. Should the entity choose to submit any comments, these comments will be included in the summary detailing the reasons for the Council's decision that will be made available directly to the U.S. Secretary of Education and the appropriate state licensing or authorizing agency, and to the public through [www.acics.org](http://www.acics.org).

### **Institutional Teach-Out**

The Council is seriously concerned about the educational outcomes for the approximately 15,000 enrolled students across all campuses of Virginia College, LLC, which includes students who are set to complete at the end of December 2018 term, as reported on the institution's 2018 Campus Accountability Reports (CAR) and students who are still enrolled. The efforts demonstrated by Virginia College, LLC to provide viable teach-out options to students will be considered by the Council consistent with Section 2-3-900 of the *Accreditation Criteria*.

Therefore, Virginia College, LLC must submit to the Council **evidence of the successful completion of programs for those students scheduled to graduate in December 2018 and executed transfer agreements** to ensure that provision has been made for those students still

enrolled to complete their program of instruction at the institution or at another acceptable institution.

These materials must be received electronically via the Virginia College institution's preexisting online Show-Cause – External Information application no later than ten (10) business days from the date of this notice - **December 19, 2018**. The Council expects that the entity will take the appropriate steps to assist its students in successfully completing their programs in an orderly manner through any transition.

The entity is advised that Section 2-3-900 of the *Accreditation Criteria* stipulates that the Council may bar any person or entity from being an owner or senior manager of an ACICS-accredited institution if that person or entity was an owner or manager of an institution that loses its accreditation as a result of a denial or suspension action or that closes without providing a teach-out or refunds to students matriculating at that time of closure.

If you have any questions about this action, please contact Ms. Perliter Walters-Gilliam at [pwgilliam@acics.org](mailto:pwgilliam@acics.org).

Sincerely,

A stylized signature of the name "Michelle Edwards" in black ink. The signature is fluid and cursive, with "Michelle" on the first line and "Edwards" on the second line. A small graphic of a torch or flame is positioned to the left of the signature.

Michelle Edwards  
President and CEO

c: Ms. Cathy Sheffield, Accreditation and State Liaison, U.S. Department of Education  
Ms. Tivoli Nash, Alabama Community College System ([tivoli.nash@accs.edu](mailto:tivoli.nash@accs.edu))  
Ms. Teri Stanfill, Arizona State Board for Private Postsecondary Education  
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